RETIREMENT

SERVICES
&
BENEFITS

RETIREMENT SERVICES

LENGTH OF SERVICE (L.O.S.)

AUTHORITY:

OFFICERS CHAP 6, AR 600-8-24

ENLISTED CHAP 12, AR 635-200

WHEN:

MAXIMUM 12 MONTHS BEFORE DESIRED DATE
MINIMUM OFFICER 4 MONTHS
ENLISTED 2 MONTHS (INC. CSM, SGM)

RETIREMENT SERVICES

OVERSEAS SEPARATION:

AUTHORITY: CHAP 13 - 14, UR 635-200

- AE FORM 635-200A
- COMPLETED LOCAL MP, SECURITY CHECK
- NOTIFICATION TO GERMAN ALIEN CONTROL AUTHORITY

* APPROVAL BY GCMCA

RETIREMENT SERVICES

VOLUNTARY RETIREMENT:

OFFICERS — MEMORANDUM (FIG 6-2)
AR 600-8-24

DA FORM 7301-R
SERVICE COMPUTATION
FOR RETIREMENT

ENLISTED — DA FORM 4187
PERSONNEL ACTIONS

DA FORM 2339
APPLICATION FOR
RETIREMENT

RETIREMENT SERVICES

RETIREMENT APPROVAL AUTHORITY

- OFFICER — DEPARTMENT OF THE ARMY
- ENLISTED — NORMAL REQUESTS =1ST PERSCOM

  CSM, SGM, MSG(P) & 1SG(P) = DA

  ALL EXCEPTIONS TO POLICY = DA

RETIREMENT SERVICES

CONSIDERATION:

- RETIRE ON FIRST DAY OF MONTH
- PROMOTION LOCK-IN
- IN LIEU OF PCS: APPLY NLT 30 DAYS AFTER PCS NOTIFICATION, RETIREMENT NLT 6 MONTHS
- WAIT ONE YEAR TO RETIRE UPON RETURN FROM OCONUS

RETIREMENT SERVICES

DISABILITY RETIREMENT: (NON L.O.S.)

DETERMINED BY PHYSICAL EVALUATION BOARD (PEB)

MUST BE 30% OR MORE DISABLED IF LESS THAN 20 YEARS OF SERVICE

TDRL: TEMPORARY DISABILITY RETIREMENT LIST (MAX 5 YEARS) 50% BASE PAY

PDRL: PERMANENT DISABILITY RETIREMENT LIST

RETIREMENT SERVICES

TERMINAL LEAVE/PTDY

- NO LIMIT ON AMOUNT OF ACCRUDE LEAVE IN CONJUNCTION WITH RETIREMENT

- PTDY - OCONUS - 20 DAYS (CDR MAY GRANT 10+ DAYS)
  OCONUS TO CONUS 30 DAYS
  CONUS - 20 DAYS (CDR MAY GRANT 10+ DAYS)

- SELL BACK OPTIONS -LIMITED UP TO 60 DAYS (ENTIRE CAREER)
  PRIOR TO 31 AUG 1976 = BASE PAY + BAQ + BAS
  AFTER 31 AUG 1976 = BASE PAY

RETIREMENT SERVICES

RETIREMENT PROGRAM (NON-DISABILITY)

- CURRENT SYSTEM: ON ACTIVE DUTY BEFORE 8 SEP, 1980, 2.5% PER YEAR (MAX 75%) OF BASE PAY

- HIGH 3 SYSTEM: ON ACTIVE DUTY 8 SEP, 1980 OR LATER, AVERAGE OF TOP 36 MONTHS OF BASE PAY WITH ABOVE FORMULA

- MILITARY RETIREMENT REFORM ACT 1986: (REDUX) ON ACTIVE DUTY 1 AUG 1986 OR LATER 2.0 % X Y.O.S = RETIREMENT PAY AT 20 YEARS OR 40 %. 14 1/2 YEAR MARK DECISION TO TAKE REDUX + $ 30K PAYMENT = LOCK IN REDUX. 1 AUGUST 2001 FIRST DATE OF ELIGIBILITY. 3.5 % EACH YEAR OVER 20 YEARS

RETIREMENT SERVICES

TRANSITION (SEPARATION)

- OCONUS: EVERY MAJOR INSTALLATION IN USAREUR

- CONUS: EVERY U.S. ARMY BASE
  -- MUST REPORT TO OUTPROCESS BEFORE STARTING PTDY/TRANSITION LEAVE.

  -- NO PER DIEM ONLY TRAVEL TIME TO TRANSITION POINT.

  -- ALL EXPENSE FOR LODGING ETC. PAID BY SOLDIER

RETIREMENT SERVICES

- **TRANSPORTATION ENTITLEMENTS: (FULL JFTR ALLOWANCE) HHG/POV/TRAVEL (FAMILY)**

- **TO HOME OF SELECTION (RETIREMENT) OR HOME OF RECORD**

- **EXTENSION BEYOND FIRST YEAR ENTITLEMENT; FIVE, 1-YEAR EXTENSIONS, APPROVED BY POST/INSTALLATION TRANSPORTATION OFFICE (GOV'T STORAGE ONLY 1 YEAR)**

- **LOCAL DRAYAGE MOVE: NOT CHARGEABLE, WEIGHT UNLIMIT - DISTANCE 80 KILOMETER**

RETIREMENT SERVICES

RETIRED PAY:

- **COMPUTED BY DFAS, CLEVELAND**
- **TAX: FEDERAL & STATE (24 STATES EXEMPT RETIRED PAY)**
- **CHECK TO FINANCIAL INSTITUTE**
- **CHECK TO HOME ADDRESS (ONLY OCONUS)**
  -- REPORT OF EXISTANCE FEB & AUG ANNUALLY
- **ALLOTMENT – INS/AER, CHILD SPT - BANK, ETC.**
- **GARNISHMENT OF PAY - IRS/COURT/AAFES**

RETIREMENT SERVICES

RETIREMENT PAY

NO : SOCIAL SECURITY OFF SET OR

REDUCTION OF RETIRED PAY WHEN

ELIGIBLE TO RECEIVE SOCIAL SECURITY

BENEFITS.

RETIREMENT SERVICES

RETIRED PAY

- **LENGTH OF SERVICE (L.O.S.) FORMULA Y.O.S. X 2.5% (MAX 75%) X BASE PAY = RETIRED PAY, PERCENTAGE BASED ON ACTIVE DUTY YEARS/MONTHS**

- **DISABILITY FORMULA (LESS THAN 20 YEARS) PERCENTAGE OF DISABILITY i, e. 30% + X BASE PAY = RETIRED PAY,**

* **DISABILITY FORMULA (MORE THAN 20 YEARS) PERCENTAGE OF DISABILITY X BASE PAY = TAX EXEMPT AMOUNT. TAX EXEMPT AMOUNT DEDUCTED FROM L.O.S. FORMULA**

RETIREMENT SERVICES

DISABILITY RETIREMENT W / L.O.S. COMPUTATION

EXAMPLE: E-9 W/26 Y.O.S. & 40% DISABILITY

40% DISABILITY X BASE PAY =

40% X $5054.00 = $2,021.00

(26YRS = 65%)

(65% X $5054.00 (B.P.) = $ 3,285.00 RET PAY

MINUS 40% DIS. = $ 2,021 .00 TAX FREE

$ 1,264.00 TAXABLE

RETIREMENT SERVICES

RETIREMENT PAY - CLEVELAND, OHIO

- RECEIVES “RETIREE ACCOUNT STATEMENT” ANNUALLY
- RETIREE FY 1 DECEMBER - 30 NOVEMBER
- COST OF LIVING ALLOWANCE (COLA) EFFECTIVE 1 DECEMBER ANNUALLY
- RETIRED PAY ACTIONS “RETIREE SIGNATURE”
- UTILIZE “MYPAY.DFAS.MIL” ACCOUNT TO MAKE ON LINE PAY CHANGES.

RETIREMENT SERVICES

FORMER SPOUSE PROTECTION ACT

- **FORMER SPOUSE MAY RECEIVE UP TO 50% NON-DISABIILITY DISPOSABLE RETIREMENT (CIVIL ACTION)**

- **MAY RECEIVE SBP PER COURT ORDER IF PREVIOUSLY ENROLLED.**

RETIREMENT SERVICES

IDENTIFICATION CARDS

- **IDENTICAL PRIVILEGES AS ACTIVE DUTY (CONUS) (OCONUS – BX & COMMISSARY)**
- **MUST REFLECT RETIREMENT STATUS**
- **FORMER SPOUSE 20/20/20 RULE**
- **DEPENDENT/PARENTS IN-LAWS/PARENTS**
- **CHILDREN TO AGE 21, 23 IF FULLTIME STUDENT ANY AGE IF INCAPACITATED**
- **ID RENEWAL UPDATES DEERS/RAPID**

RETIREMENT SERVICES

RETIREMENT PHYSICAL

MANDATORY

- **NO MORE THAT 120 DAYS OLD (FROM RETIREMENT DATE)**
- **COMPLETED 30 DAYS PRIOR TO RETIREMENT**

RECOMMENDED: RETIREE OBTAIN TWO CERTIFIED COPIES OF MEDCAL RECORDS

RETIREMENT SERVICES

SURVIVOR BENEFIT PLAN (SBP)

- **PUBLIC LAW 92-425, 21 SEP 72**
- **PURPOSE: TO ELIMINATE $0 INCOME**
- **ALLOWS CONTINUATION OF PORTION OF RETIREMENT PAY TO SURVIVOR**
- **FOUNDATION TO BULID UPON**
- **MANDATORY SBP COUNSELING**

RETIREMENT SERVICES

SURVIVOR BENEFIT PLAN (SBP)

- **SPOUSE/FORMER SPOUSE 6.5% OF RET PAY**
- **SPOUSE COVERAGE + CHILD ACTUARIAL COST - (.00930 - .00031)**
- **CHILDREN (ONLY) COVERAGE; AGE OF RETIREE, SPOUSE AND CHILD**
- **INSURABLE INTEREST 10% RETIRED PAY PLUS 5% FOR EACH 5 YEARS YOUNGER THAN RETIREE**

RETIREMENT SERVICES

SURVIVOR BENEFIT PLAN (SBP)

TWO TIERED METHOD

- **BEFORE AGE 62 = 55% OF BASE AMOUNT**
- **AFTER AGE 62 = 35% OF BASE AMOUNT**

RETIREMENT SERVICES

SURVIVOR BENEFIT PLAN (SBP)

- **SPOUSE ONLY CAN DECLINE IF SM ELECTS LESS THAN FULL COVERAGE**
- **RETAINS OPTIONS THAT SM WAS NOT ELIGIBLE FOR AT RETIREMENT**
- **SM MAY ELECT SUPPLEMENTAL COVERAGE (WITHOUT SPOUSE CONSENT)**

RETIREMENT SERVICES

SURVIVOR BENEFIT PLAN (SBP)

COVERAGE

	BASE AMT	PREMIUM	ANNUITY
MINIMUM	$300	$7.50 (2.5%)	$165
THRESHOLD	$595	$ 14.88 (2.5%)	$327
FULL	*$3285	$ 213.53 (6.5%)	$1,806

•SGM 26 YRS L.O.S. 65% OF BASE PAY

RETIREMENT SERVICES

SURVIVOR BENEFIT PLAN (SBP)

- ELECTION PERMANENT NO DECREASE, INCREASE (OPEN SEASON + ONLY)
- SBP COST/PREMIUMS TAX FREE
- SBP BASE AMOUNT COST AND ANNUITY ARE COST OF LIVING ADJUSTED
- SPOUSE COST STOPS WHEN NO ELIGIBLE BENEFICIARY

RETIREMENT SERVICES

SURVIVOR BENEFIT PLAN (SBP)

- **CHILD(REN) COST STOPS WHEN NO ELIGIBLE CHILD(REN).**
- **COST DEDUCTED FROM RETIRED PAY.**
- **SUSPENSION OF COST IF 100% VA SERVICE CONNECTED FOR 5-10 YEARS.**

SBP MONTHLY PREMIUMS STOPS AT 30 YEAR MARK OF ENROLLMENT. EFFECTIVE DATE 2008

RETIREMENT SERVICES

SURVIVOR BENEFIT PLAN (SBP)

RETIREE MAY WITHDRAW FROM SBP 24-36 MONTHS AFTER RETIREMENT, REQUIRES SPOUSE APPROVAL.

SBP ANNUITY TERMINATES WHEN SURVIVING SPOUSE REMARRY BEFORE AGE 55 - REINSTATED IF SUBSEQUENT MARRIAGE TERMINATES

SBP ANNUITY TAXABLE - FEDERAL PLUS 34 STATES (PORTION)

RETIREMENT SERVICES

VETERAN ADMINISTRATION SGLV/VGLI

- FREE COVERAGE FOR 120 AFTER RETIREMENT
- OPTION TO CONVERT IDENTICAL AMOUNT OR LESS
- NO PHYSICAL REQUIRED
- VGLI 5 YEARS RENEWABLE
- PAYMENT BY ALLOTMENTS, MONTHLY (YEARLY, BY INDIVIDUAL)
- MAY CONVERT TO COMMERCIAL INSURANCE, WITHOUT PHYSICAL

RETIREMENT SERVICES

SOCIAL SECURITY

- **PROVIDE INCOME WHEN FAMILY EARNINGS ARE REDUCED BECAUSE OF RETIREMENT, DISABILITY, OR DEATH**
- **ELIGIBILITY BY QUARTERS OF COVERAGE 40 QUARTERS MANDATORY**
- **BENEFITS DEPENDS ON AVERAGE WAGES EARNED**
- **ELIGIBLE AGE 62-67 (EFFECTIVE YEAR 2000)**

RETIREMENT SERVICES

SOCIAL SECURITY

- MAY DRAW IN ADDITION TO RET PAY
- SURVIVOR BENEFIT PLAN REDUCED AT SPOUSE AGE 62 (IF UNEMPLOYED)
- MAY BE TAXABLE
- WIDOW BENEFITS AVAILABLE AT AGE 60
- MEDICARE - AGE 65 (EARLIER IF DISABLE)
- LUMP SUM BURIAL ALLOWANCE $255.

RETIREMENT SERVICES

SOCIAL SECURITY - CARING - FOR - CHILD

- **BENEFITS AVAILABLE TO SURVIVING SPOUSE (LESS THAN AGE 60 & UNEMPLOYED) AND CHILD(REN)**
- **BENEFITS PAID TO SPOUSE FOR CHILD(REN) TO AGE 16**
- **BENEFITS, CONTINUED TO CHILD AGE 18, POSSIBLE TO AGE 23**
- **MOTHER/SOCIAL SECURITY BENEFITS DISCONTINUED WHEN YOUNGEST CHILD BECOMES AGE 16**

RETIREMENT SERVICES

DEPENDENCY INDEMNITY COMPENSATION (DIC)

- DIC PAID BY VA IF DEATH, SERVICE RELATED
- DIC IS TAX FREE
- DIC NOT SUBJECT TO INCOME LIMITATION
- DIC PROVIDES PER CHILD SUPPLEMENT PAYMENT
- DIC REDUCES SBP
- DIC TERMINATED WHEN SPOUSE REMARRY BEFORE AGE 57

RETIREMENT SERVICES

CASUALTY ASSISTANCE PROGRAM

- **CAO WILL BE ASSIGNED TO ASSIST:**

FUNERAL AND BURIAL ARRANGEMENTS,

RIGHTS - BENEFITS – PRIVILEDGES,

SURVIVORS BENEFIT ANNUITY (SBP),

GOVERNMENT/CIVILIAN LIFE INS.

VA ENTITLEMENTS

SOCIAL SECURITY ENTITLEMENTS

ID AND PRIVILEDGE CARDS

RETIREMENT SERVICES

CASUALTY ASSISTANCE PROGRAM

BURIAL FLAG (ACTIVE - RETIRED)

INTERMENT IN NATIONAL CEMETERIES

REMAINS OF RETIREE (SPOUSE ESCORT) RETURNED TO CONUS SPACE "A" TO DOVER, DE.

HEADSTONE MARKER OR PLAQUE

UNPAID PAY AND ALLOWANCES (RET PAY)

RETIREMENT SERVICES

QUESTIONS

AND

ANSWERS